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Feldman  
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COMMISSION  
OFFICE OF GENERAL  
COUNSEL

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March 4, 1999

Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

RE: MUR 4864

Dear Sir:

This firm represents both MSE, Inc. ("MSE") and Don Peoples, CEO of MSE, in the above-referenced matter. This letter is to bring to your attention continuing actions by the complainant that may be in violation of the Commission's confidentiality rules, and that may be otherwise inconsistent with federal election law and Commission practice. We informed you in a letter dated February 19, 1999, of similar actions by the complainant and at that time requested that the Commission inform the complainant of his obligations and restrictions under the Commission's confidentiality rules.

In this instance, on March 1, 1999, the complainant, John Isaacson, sent a second electronic mail message ("email") to an unspecified number of people concerning this matter. A copy of the email message is attached.<sup>1/</sup> Mr. Isaacson's second email also appears to violate the Commission's rules on confidentiality. He refers therein to the complaint at the Federal Election Commission and states his intent to send another email regarding this matter "soon."

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<sup>1/</sup> Again, neither Mr. Peoples nor MSE were recipients of Mr. Isaacson's email message.

This letter is neither a complaint nor a request to the Commission that it initiate a complaint. Rather, its purpose is to make the Commission aware of the complainant's actions. As we stated in our prior letter, Mr. Isaacson's continuing dissemination of unsubstantiated allegations via email and his violation of the Commission's confidentiality rules are cause for concern to a large employer in a small town such as Butte.

MSE renews its request that the Commission inform Mr. Isaacson of his obligations and restrictions under the Commission's confidentiality rules and respectfully urges the Commission to bring this matter to an expeditious conclusion.

Sincerely,



Ben Yamagata  
Howard Bleichfeld  
Counsel for MSE, Inc. and  
Don Peoples

Attachment

From: John Isaacson <John1@in-tch.com>  
To: CampaignFundFraud@butte-gulde.org <CampaignFundFraud@butte-gulde.org>  
Date: Monday, March 01, 1999 8:44 PM  
Subject: Campaign Fraud in Butte (2)

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This is the second of a series of e-mail reports on issues related to possible illegal campaign contributions to the campaign of Senator Kit Bond of Missouri by a number of employees of MSE, Inc. of Butte Montana after a visit by the Senator on August 12, 1998, to Butte.

## CRIMINAL AND CIVIL INVESTIGATIONS

### THE NATURE OF THE FEDERAL CRIMINAL INVESTIGATION

The issues related to these campaign contributions are the subject of at least four separate investigations at the the present time. Three are civil, and one is criminal. These are all done in relation to federal law and federal issues.

The federal investigation collects facts related to possible violations of federal law, i.e., were the MSE employees who contributed to Senator Kit Bond's 1998 campaign reimbursed in any way whatever - bonus - cash - time off, etc., or were they forced or intimidated to contribute in any manner whatever - directly or indirectly. If so, both the men who authorized this process, and the contributor, could be subject to Federal Grand Jury indictment, prosecution by the United States Attorney supervising the present investigation, trial, and if convicted, various forms of punishment including fines or prison sentences. The criminal investigation is often independent of any civil investigation.

Another issue is the relationship of Senator Kit Bond, who is on the United States Senate Appropriations Committee that manages MSE federal funding, and MSE, or its CEO, Don Peoples, or anybody else related to MSE. For example, how closely tied were the federal funds from Senator Bond's Committee in the Senate to Donald Peoples and MSE, and was that relationship illegal, in violation of federal law?

### HOW CIVIL AND CRIMINAL INVESTIGATIONS "FLATTEN OUT" OR SPREAD

The old saying that "One thing leads to another" applies in this case. Another that applies is "that once a can of worms is opened, it takes a much larger can to put them back in."

What appeared to be an illegal campaign contribution case in the beginning has led to several other fact settings that suggest other criminal and civil conduct in a comprehensive scheme of illegal conduct over a long period of time. A number of citizens have brought forward evidence of this conduct in documents, general information, insider information which is sometimes called "whistle blower" information.

Portions of that information which suggest possible criminal conduct are immediately referred to those conducting the federal criminal

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Investigation. Those items which are essentially civil violations of the law are accumulated and studied for application to civil litigation which inevitably grows from these fact patterns. People who have been damaged over the years want compensation for that injury, and some participate just to put an end to inappropriate or unlawful conduct by community leaders.

This "flattening out" or spreading of the types of issues involved is a usual pattern.

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The three civil investigations surrounding these matters will be the subject of another e-mail soon.

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If you wish to be removed from this list, or have a name of someone interested in being on the list, please contact me at [john1@in-tch.com](mailto:john1@in-tch.com). Thank you.

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(In a prior message I stated that the Federal Election Commission complaint in this matter had not been answered by those subject to the complaint. I received an e-mail from one of the people related to that general situation who said he understood the answer had in fact been filed. I have no reason to doubt that is true, but it is not verified because the Federal Election Commission operates in secret and only issues a decision or a dismissal at the end of its process.)

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